

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Application of )  
 )  
CITIZENS COMMUNICATIONS COMPANY, )  
 )  
dba THE GAS COMPANY )  
 )  
To File a General Rate Increase For )  
All Utility Gas Divisions. )  
\_\_\_\_\_ )

DOCKET NO. 00-0309

ORDER NO. 19465

RECEIVED  
2002 JUL 15 P 3:42  
DIR. OF CONSUMER ADVOCACY  
DEPT. OF COMMERCE AND  
CONSUMER AFFAIRS  
STATE OF HAWAII

Filed July 15, 2002  
At 8:00 o'clock A.M.

Karen Higashi.  
Chief Clerk of the Commission

ATTEST: A True Copy  
KAREN HIGASHI  
Chief Clerk, Public Utilities  
Commission, State of Hawaii.  
K. Higashi.



## II.

In their Flex Pricing Stipulation, the parties agreed that TGC's Introductory Flexible Pricing Program (IFP program) is reasonable for the purposes of this docket. They contend that the IFP program allows TGC to offer pricing incentives or discounts that are competitive with incentives offered by third party energy providers, and that the program has the overall goal of benefiting all ratepayers.

Under TGC's IFP program, new customers, who would normally be subject to certain filed tariff schedules, will be provided the opportunity to obtain utility service at a discounted rate or price as set forth in their individual contracts. The parties specifically state that the individual contracts and support data, and basically all filings related to the program will be filed subject to protective orders and be considered to be confidential, and, thus, not subject to public inspection (confidentiality requirement).

Based on our review of the filings regarding the Flex Pricing Stipulation, it appears that the confidentiality requirement of the program is "essential" for the implementation of the IFP program. Thus, our review of the parties' Flex Pricing Stipulation, as set forth below, will be limited to whether the IFP program's confidentiality requirement is consistent with the established laws that govern all public utilities in the State of Hawaii (State).

III.

HRS § 269-16(a) requires all rates, fares, charges, classifications, schedules, rules, and practices observed or charged by any utility to be just and reasonable, and be filed with the commission.

Under HRS § 269-16(b) a public utility is required to provide 30 days notice as set forth in HRS § 269-12(b) and obtain commission approval prior to establishing, abandoning, modifying or departing from a rate, fare, charge, classification, schedule, rule, or practice.

HRS § 269-12(b) states the following:

Any notice provided pursuant to section 269-16(b), **shall plainly state the rate, fare, charge, classification, schedule, rule, or practice proposed to be established, abandoned, modified, or departed from** and the proposed effective date thereof and shall be given **by filing the notice with the commission and keeping it open for public inspection**. (Emphasis added.)

The IFP program clearly contemplates that certain qualified new customers be provided a rate that is a modification or departure from TGC's tariffed rates for certain schedules. Pursuant to the State's public utility laws, rates that are modified or departed from must be plainly stated, filed with the commission, and kept open for public inspection. We find that the IFP program's confidentiality requirement is contrary to the established public utility laws, specifically HRS §§ 269-12(b) and 269-16(b).

Based on the above, we conclude that the parties' Flex Pricing Stipulation should be rejected, without prejudice.<sup>3</sup>

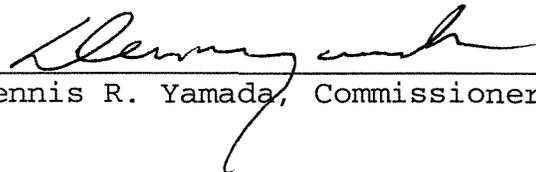
IV.

THE COMMISSION ORDERS that the parties' Flex Pricing Stipulation, filed on April 12, 2002, is rejected, without prejudice.

DONE at Honolulu, Hawaii the 15th day of July, 2002.

PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

By   
Wayne H. Kimura, Chairman

By   
Dennis R. Yamada, Commissioner

By (EXCUSED)  
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

  
Ji Sook Kim  
Commission Counsel  
00-0309.ah

<sup>3</sup>See In re Hawaiian Electric Company, Inc., Docket No. 99-0129, Order No. 18041 (September 21, 2000) and Order No. 18171 (November 1, 2000), and also In re Hawaii Electric Light Company, Inc., Docket No. 00-0054, Order No. 18043 (September 21, 2000) and Order No. 18172 (November 1, 2000).

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 19465 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

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Catherine Sakato

DATED: July 15, 2002